

Services Division
European Satellite Committee

Meeting of 27 August 1958

Present: [REDACTED] S/COM; [REDACTED] S/CST; [REDACTED] S/TF; Edel, [REDACTED] S/TR; [REDACTED] A/E; [REDACTED] M/FM; [REDACTED] M/NF; [REDACTED] St/I/R.

Mr. [REDACTED] D/A, discussed the latest developments in CEMA-- a follow-up of a panel discussion held before the Committee in June. He reported that at the Bucharest session of CEMA in the latter part of June, two new committees had been added to the dozen or so specialized industrial committees that were set up in 1956. The new ones--for construction and transportation--were raised from the status of working groups.

Also at the Bucharest session, plans were made for coordination during the period 1961-1965. An innovation of this planned coordination is that it is to be tied in more with foreign trade plans. Trade agreements have been announced in advance, but this does not mean that concrete agreements have been set up. One advantage of such an approach is that it is intended to assure raw materials and markets.

Mr. [REDACTED] says that the key problem of planned coordination can be summed up in two words: planned specialization. He says that industrial specialization in Socialist countries runs counter to the trend of Soviet Bloc history. Specialization could have been undertaken with more success in 1949 before the policy of parallel industrialization was instituted. He added that other functions of CEMA are not as important as specialization by sectors.

The Satellites are at a disadvantage in reporting to CEMA as they have to submit quarterly statistics on capacity and production. The USSR does not furnish as much information.

Mr. [REDACTED] says that several recent sources appear to be rather promising with regard to information on CEMA. He suggested that specific requirements be presented for these sources.

On 3 September, Mr. [REDACTED] S/TD, will talk to the Committee on New Policy and New Export Control Lists. The meeting will be held at 1330 in Room 1121 M Building.

[REDACTED]
Secretary